FI Package for industries suffering from Recession

2246. SHRI RAMDAS AGARWAL: Will the Minister of FINANCE be pleased to state:

(a) whether his Ministry and other Financial Institutions have worked out mutually agreed packages with Corporates in recession hit industries like Steel company of Essar Group as reported in the Economic Times dated 26th January, 1999;

(b) if so, whether similar packages would also be worked out by the Ministry of Finance/FIs in respect of other industries which are suffering due to international price competition and recession in the country; and

(c) If so, the details thereof and if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M. R. JANANR-THANAN): (a) to (c) The Financial Institutions (FIs) provide financial assistance to industry based on prudential norms and financial assessment of the proposals and on their own commercial considerations.

Smuggling of Ball Bearings

2247. SHRI O.P. KOHLI: Will the Minister of FINANCE be pleased to state:

(a) whether the Government's attention has been drawn to the news-items which appeared in "The Hindustan Times", dated the 18th January, 1999, under the caption "Smuggled ball bearings flooding Indian market"; and

(b) if so, the steps taken to effectively stop this racket which is causing enormous loss to the indigenous trade and the country's economy?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANANR-THANAN): (a) Yes, Sir.

(b) All attempts are being made and measures taken by the field formations under the Department of Revenue, including its Revenue Intelligence Agency i.e. the Directorate of Revenue Intelligence to detect, prevent and minimise smuggling of ball-bearings into the country. Certain changes effected in the new Indo-Nepal Treaty of Transit and greater vigil by the Preventive and Intelligence agencies of the Department of Revenue, specialy on the Indo-Nepal border, in coordination with the State Police and other concerned authorities, are also expected to help in this regard.

Failure of Banks to provide economic security to Common Man

2248. SHRIMATI VEENA VERMA: SHRI AKHILESH DAS:

Will the Minister of FINANCE be pleased to state:

(a) whether Government have taken note of the fact that banks have failed to provide a viable means for common man's savings, and adequate returns by way of interest thereon; and

(b) if so, the steps taken to provide due economic security and adequate returns for the common man's savings?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (BANKING, REVENUE AND INSURANCE) (SHRI KADAMBUR M.R. JANANR-THANAN): (a) Reserve Bank of India (RBI) have prescribed interest rate for Savings Bank Deposit Accounts at 4.5 per cent per annum. In the case of the Domestic Term deposits of 15 days and over, where the banks are free to decide the interest rates, the rates are in the range of 5.0—12.0 per cent per annum for public sector banks; 5.0—14.0 per cent per annum for private sector banks;